## **REMARKS**

Prior to this communication, claims 1-27 were pending in the application. In the pending Office action, claims 1-4 stand rejected, claim 5 stands objected to, and claims 6-27 are withdrawn from consideration. By this amendment, Applicants are amending claims 2 and 4, and adding claims 28-37, thereby leaving claims 1 and 3 unchanged. Examination and consideration of claims 1-5, and 28-37 in view of the amendment and remarks contained herein are respectfully requested.

Claims 2 – 4 stand rejected under 35 U.S.C §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter. Particularly, the Examiner stated that it was not clear whether or not the terminology "a user" refers to the same "a user" claimed in claim 1 or to a separate distinct user. Claims 2 and 4 have amended to include "the user" instead of "a user."

Claims 1 – 5 stand rejected under 35 U.S.C § 103(a) as being unpatentable over U.S. Patent No. 4,967,906 ("Morello"). Morello discloses an apparatus for dispensing and accepting return of reusable articles. The apparatus includes, among other things, a computer unit that receives control information, and generates output instructional information and control signals. (Col. 2, lines 17 – 19.)

To establish a *prima facie* case of obviousness, three basic criteria must be met. M.P.E.P. § 706.02(j), and 2143.

First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references or to combine the reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must be both found in the prior art, not in applicant's disclosure.

Id. See also In re Rougget, 149 F.3d 1350, 1355 (Fed. Cir. 1998) ("To reject claims in an application under section 103, the Examiner must show an unrebutted *prima facie* case of obviousness. In the absence of a proper *prima facie* case of obviousness, an applicant who complies with the other statutory requirements is entitled to a patent.")

Claim 1 is repeated below for the Examiner's reference.

1. A method of tracking an item dispenser inventory at a point-of-use, the method comprising:

establishing a network of computerized item dispensers, each dispenser containing inventory;

establishing a computer data center, the data center being in electronic communication with the network;

establishing allocation codes within the data center, the allocation codes limiting the extent to which inventory is allowed to be withdrawn from the dispensers;

identifying a user at one of the dispensers; and allowing the user to reconfigure the allocation codes from the one of the dispensers.

Applicants contend that the Examiner has not set forth a proper *prima* facie case of obviousness. For example, the Examiner must show that the prior art reference (or references when combined) teaches or suggests all the claim limitations. First, claim 1 requires, among other things, "allowing the user to reconfigure the allocation codes from the one of the dispensers." Morello does not teach or suggest allowing the user to reconfigure the allocation codes, as required by claim 1. Therefore, Morello does not teach or suggest all the limitations as claimed in claim 1.

The Examiner also asserted that Morello teaches "that it is well known in the art to vary programmable features of a single machine (See for example Col. 18, lines 51 – 52)." (Pending Action, paragraph 5, page 3.). In fact, Morello suggests that "a system according to the present invention permits the system operator to vary programmable features of the machines, individually, in groups, or all together by means of system controller 252." (Col. 18, lines 41 – 42.) The programmable features are, according to Morello, "programs relating to the

moving message display 31, the instructional lead-through for the customer's assistance, price structure, tax tables, etc." (Col. 18, lines 47 - 50.) Even if Applicants were to consider allocation codes as the programmable features suggested by Morello, the programmable features suggested by Morello does not include "limiting the extent to which inventory is allowed to be withdrawn from the dispensers," and "allowing the user to reconfigure the allocation codes from the one of the dispensers," as required by claim 1.

Furthermore, the Examiner acknowledged that Morello lacked "the teaching of allowing the user to reconfigure the allocation codes from the one of the dispensers." (Action, paragraph 5, page 3.) And as described earlier, the programmable features suggested by Morello does not include "limiting the extent to which inventory is allowed to be withdrawn from the dispensers," as required by claim 1. Morello, therefore, does not teach or suggest "allowing the user to reconfigure the allocation codes from the one of the dispensers," and "the allocation codes limiting the extent to which inventory is allowed to be withdrawn from the dispensers," as required by claim 1. That is, Morello does not teach or suggest all the limitations of claim 1. Applicants contend the Examiner has not set forth a proper *prima facie* case of obviousness in section 4 of the pending action. Therefore, claim 1 is allowable.

Still further, Applicants also note that Morello teaches away from claim 1. While Morello suggests that "a system according to the present invention permits the system operator to vary programmable features of the machines, individually, in groups, or all together by means of system controller 252" (Col. 18, lines 41 – 42), Morello also suggests that "[a]n additional feature of network system 250 is that programmable functions of CPU 14 may be modified by system controller 252 and/or regional controller 254" (Col. 13, lines 3 – 5). That is, Morello does not teach or suggest "allowing the user to reconfigure the allocation codes from the one of the dispensers," as required by claim 1. Therefore, claim 1 is allowable.

App. No. 10/008,621 Reply to restrictions dated December 1, 2004

Claims 2-5 are dependent from claim 1. Accordingly, claims 2-5include patentable subject matter for the reasons set forth above with respect to claim 1.

Claims 28 - 37 have been added and include additional patentable subject matter which may be allowable for one or more of the reasons set forth above with respect to claim 1, and/or for additional reasons not discussed herein. Particularly, Claims 28 and 33 are directed to a method and a system of managing an inventory, respectively. Among other things, claim 28 requires allowing a second user to reconfigure an allocated configurable code at a dispenser such that an inventory extent of a first user is reconfigured. Claim 33 requires, among other things, means for allowing a second user to reconfigure an allocated configurable code at an item dispensing means.

No new matter has been added.

## CONCLUSION

Entry of the Amendment and allowance of claims 1-5, and 28-32 are respectfully requested. The undersigned is available for telephone consultation at any time during normal business hours.

Respectfully submitted,

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Thomas S. Reynolds II

Reg. No. 45,262

Docket No. 088256-9015-01 Michael Best & Friedrich LLP 100 East Wisconsin Avenue Milwaukee, Wisconsin 53202-4108 (414) 271-6560

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